

SOUTHERN MADISON WATER  
DISTRICT

P.S.C. Ky. No. 9596

Cancels P.S.C. Ky. No. 8324-2

OUTLINE

OF

Rates, Rules and Regulations for Furnishing

WATER

AT

Southern Madison Water District

Berea, Kentucky

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 14 1986

PURSUANT TO 807 KAR 5-011,

SECTION 9 (1)

BY: *J. Deoghegan*

Filed with PUBLIC SERVICE COMMISSION OF  
KENTUCKY

ISSUED August 14, 1986

EFFECTIVE August 14, 1986

ISSUED BY Southern Madison Water District  
(Name of Utility)

BY *Herbert W. Lunsford*

Herbert W. Lunsford

Chairman

SOUTHERN MADISON COUNTY  
For Berea, KY  
Community, Town or City

P.S.C. NO. 94-150  
Third  
Revised SHEET NO. 2

SOUTHERN MADISON WATER DISTRICT  
Name of Issuing Corporation

CANCELLING P.S.C. NO. 90-320  
Second  
Revised SHEET NO. 2

CLASSIFICATION OF SERVICE

APPLICABLE:

Southern Madison County  
Berea, KY

AVAILABILITY OF SERVICE:

Domestic and Commercial

SECTION I

A. Rates for Water

GALLONAGE BLOCK

First 2,000 Gallons  
Next 1,000 Gallons  
Next 3,000 Gallons  
Next 4,000 Gallons  
Next 15,000 Gallons  
Next 25,000 Gallons  
Over 50,000 Gallons

RATES

11.426 minimum bill  
5.623 per 1,000 gallons  
5.213 per 1,000 gallons  
4.753 per 1,000 gallons  
3.873 per 1,000 gallons  
3.573 per 1,000 gallons  
3.023 per 1,000 gallons

B. Where multiple service is rendered through one water meter, the minimum charge shall be multiplied by the number of apartments, residents, stores, offices, and/or establishments receiving water from such meter. Each multiple service user shall be entitled to 2,000 gallons for a minimum charge. All excess over the minimum shall be billed at the appropriate rate.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

APR 20 1994

PURSUANT TO 807 KAR 5.011

DATE OF ISSUE April 11, 1994

DATE EFFECTIVE April 20, 1994

ISSUED BY Paul M. Reynolds  
Name of Officer

TITLE Chairman  
PUBLIC SERVICE COMMISSION MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky  
In Case No. 94-150 dated May 11, 1994

SOUTHERN MADISON COUNTY  
For Berea, KY  
Community, Town or City

P.S.C. NO. 94-150  
Fifth  
Revised SHEET NO. 3

SOUTHERN MADISON WATER DISTRICT  
Name of Issuing Corporation

CANCELLING P.S.C. NO. 93-242  
Fourth  
Revised SHEET NO. 3

CLASSIFICATION OF SERVICE

SECTION II

Connection Charges:

- (I) A. For meter installation and connection \$417.00
- (I) B. Service, reconnection and disconnection due to delinquent bills: \$10.00
- C. Reconnection due to delinquent bills if customer requests service after 3:00 p.m. and service cannot be completed prior to end of business hours, 4:00 p.m.: \$15.00

Minimum Charge:

- A. A minimum charge of \$11.426 per month will be made, which entitles the consumer to 2,000 gallons of water or less.
- Bills delinquent for more than 10 days are subject to a 10% late charge.

Returned Check Fee:

- A. For checks returned by the bank and stated as insufficient funds. \$10.00

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

APR 20 1994

DATE OF ISSUE April 11, 1994 DATE EFFECTIVE April 20, 1994  
ISSUED BY Mr. Paul M. Reynolds TITLE Chairman  
Name of Officer BY: [Signature]  
PUBLIC SERVICE COMMISSION MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. 94-150 dated May 11, 1994

Southern Madison County  
FOR Berea, Kentucky

P.S.C. Ky. No. \_\_\_\_\_

Original Sheet No. 4

Cancelling P.S.C. Ky. No. \_\_\_\_\_

Original Sheet No. 4

Southern Madison Water District

RULES AND REGULATIONS

DATE OF ISSUE

EFFECTIVE DATE

August 12, 1986

August 12, 1986

ISSUED BY

SOUTHERN MADISON WATER DISTRICT  
Berea, Kentucky

NAME

TITLE  
Chairman

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 14 1986

PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

BY: J. Deoghegan

DATE OF ISSUE August 12, 1986  
Month Day Year

DATE EFFECTIVE August 12, 1986  
Month Day Year

ISSUED BY Hubert W. Lumpford Chairman  
Name of Officer Title

Berea, KY 40403  
Address

P.S.C. Ky. No. \_\_\_\_\_

Original Sheet No. 5

Cancelling P.S.C. Ky. No. 2

Original Sheet No. 5

RULES AND REGULATIONS

- A. All taps and connections to the mains of the District shall be made by and/or under the direction and supervision of District personnel.
- B. Water service may be discontinued by the District for, upon 10 days' written notice (except that in the event of a violation under Item 7 below, water service may be terminated immediately), and violation of any rule, regulation, or condition, and especially for any of the following reasons:
1. Misrepresentation in the application or contract as to the property or fixtures to be supplied or additional use to be made of water.
  2. Failure to report to the District additions to the property or fixtures to be supplied or additional use to be made of water.
  3. Resale of water.
  4. Waste or misuse of water due to improper or improper or imperfect service pipes and/or failure to keep such pipes in a suitable state of repair.
  5. Tampering with meter, meter seal, service, or valve, or permitting such tampering by others.
  6. Connection, cross-connection, or permitting the same, of any separate water supply to premises which receive water from the District.
  7. When a dangerous condition is found to exist on the customer's or applicant's premises, with reference to the continuation of water service, water service shall be cut off without notice or shall be refused, provided the District shall notify the customer or applicant immediately of the reasons for the discontinuance or refusal and the correction action to be taken by the applicant or customer before service can be restored.
- C. Any customer desiring to discontinue the water service to his premises for any reason must give notice of discontinuance in person or in writing at the business office of the District at least three (3) days prior to the date on which the customer desires to discontinue service, and the customer shall not be liable for water consumed beyond the date of discontinuance stated in such notice; if such notice in person or in writing is not given, a customer shall remain liable for all water used and service rendered to such premises by the District until such notice is received by the District.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 14 1986  
PURSUANT TO KARS.011,  
SECTION 9 (1)

BY: *[Signature]*

DATE OF ISSUE August 12, 1986  
Month Day Year

DATE EFFECTIVE August 12, 1986  
Month Day Year

ISSUED BY *[Signature]* Chairman  
Name of Officer Title

Berea, KY 40400  
Address

## Form for filing Rate Schedules

SOUTHERN MADISON COUNTY  
For Berea, KY  
Community, Town or CityP.S.C. NO. 93-242  
SecondRevised SHEET NO. 6

SOUTHERN MADISON WATER DISTRICT

Name of Issuing Corporation

CANCELLING P.S.C. NO. 9596

First

Revised SHEET NO. 6

## RULES AND REGULATIONS

Bills and notices relating to the conduct of the business of the District will be mailed to the customer at the address listed on the user's agreement unless a change of address has been filed in writing with the District; and the District shall not otherwise be responsible for delivery of any bill or notice nor will the customer be excused from the payment of any bill or any performance required in said notice.

E. 1. Bills for water service are due and payable at the office of the District, or to any designated Agent, on the date of issue. The past due date shall be the tenth day after the date of issue. Bills will be dated and mailed on the first day of each month.

2. All bills not paid on or before the past due date shall be deemed delinquent, and a 10% late fee shall be added to the bill. When a bill has been delinquent for a period of twenty (20) days, the District shall serve a customer a written final notice of said delinquency, and of the intent of the District to discontinue service ten (10) days after the date of such notice unless such bill is paid prior to the expiration of such ten (10) days. If a delinquent bill is not paid within ten (10) days after date of such final notice [thirty (30) days from the past due date], the water supply to the customer may be discontinued without further notice; provided, however, if, prior to discontinuance of service, there is delivered to the District, or to its employee empowered to discontinue service, a written certificate signed by a physician, a registered nurse, or a public health officer that, in the opinion of the certifier, discontinuance of service will aggravate an existing illness or infirmity on the affected premises, service shall not be discontinued until the affected resident can make other living arrangements or until thirty (30) days elapse from the time of the District's receipt of said certification, whichever occurs first.

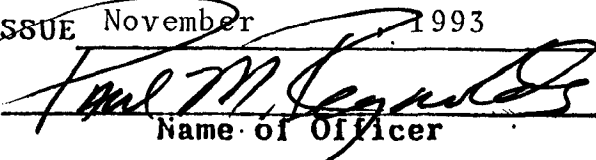
F. Where the water supply to the customer has been discontinued for non-payment of delinquent bills, a charge of \$10.00 ( or \$15.00 if customer request is made after 3:00 p.m.) will be made for reconnection of water service, but the reconnection will not be made until all delinquent bills and other charges, if any, owed by the customer to the District have been paid.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY

EFFECTIVE

DATE OF ISSUE November 1993DATE EFFECTIVE October 20, 1993

ISSUED BY

  
Name of Officer

TITLE

Chairman

OCT 20 1993

PURSUANT TO 807 KAR 5:011.

Issued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. 93-242 dated October 20, 1993

BY:

SECTION 9 (1)



## Form for filing Rate Schedules

SOUTHERN MADISON COUNTY  
For Berea, KY  
Community, Town or CityP.S.C. NO. 93-242  
Second  
Revised SHEET NO. 7SOUTHERN MADISON WATER DISTRICT  
Name of Issuing CorporationCANCELLING P.S.C. NO. 9596  
First  
Revised SHEET NO. 7

## CLASSIFICATION OF SERVICE

DEPOSITS

- G. Deposits: The District shall require a cash deposit of \$50.00 or other guaranty to secure payment of bills.

Service may be refused or discontinued for failure to pay the requested deposit. Interest, as prescribed by law, will be paid annually either by refund or credit to the customer's bill, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit. Refund or credit shall be made as of July 1 each year, beginning July 1, 1993, except in the case of customers who are terminating service, in which case the final bill shall reflect earned interest. For new customers, refund or credit shall be pro-rata based upon the length of their service to July 1.

Upon payment of such deposit, the District shall issue to such customer a certificate of deposit, showing the name of the customer, location of the initial premises occupied by the customer, and the date and amount of the deposit. The District will pay to such customer interest on such deposit at the rate required by law, until such deposit is reimbursed to the customer.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the District may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 20 1993

DATE OF ISSUE November, 1993DATE EFFECTIVE PURSUANT TO 807 KAR 20.11 1993  
SECTION 9(1)ISSUED BY Paul M. Kuykendall  
Name of OfficerTITLE Chairman  
PUBLIC SERVICE COMMISSION MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. 93-242 dated October 20, 1993



## Form for filing Rate Schedules

SOUTHERN MADISON COUNTY  
For Berea, KY  
Community, Town or CityP.S.C. NO. \_\_\_\_\_  
First \_\_\_\_\_  
Revised \_\_\_\_\_ SHEET NO. 8SOUTHERN MADISON WATER DISTRICT  
Name of Issuing CorporationCANCELLING P.S.C. NO. 9596  
Original \_\_\_\_\_ SHEET NO. 7

## RULES AND REGULATIONS

- H All meters shall be installed, renewed, and maintained at the expense of the District, and the District reserves the right to determine the size and type of meter used.
- (T) I It shall be the policy of the District to test each water meter at least once every five years. In addition, upon written request of any customer, the meter serving such customer shall be tested by the District. Such test will be made without charge to the customer if the meter has not been tested within five years preceding the requested test; otherwise, a charge of \$2.00 will be made and then only if the test indicates meter accuracy within the limits of 2%.

If a meter is inaccurate in excess of 2%, whether upon periodic testing or upon requested testing, additional tests shall be made at once to determine the average error of the meter, and the adjustments shall be made in the customer's water bills as follows:

1. If the result of such tests shows an average error greater than 2% fast, the customer's bill for the period during which the meter error is known to have existed, shall be recomputed and the account adjusted on the basis of the test. If the period during which the meter error existed cannot be determined, then the customer's bill shall be recomputed the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the customer. If that data is not available the average usage of similar customer loads shall be used for comparison purposes in calculating the time period. If the customer and the utility are unable to agree on an estimate of the time period during which the error existed, the commission shall determine the issue.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVEDATE OF ISSUE May 22, 1992  
ISSUED BY Louise E. Nazzari  
Name of OfficerJUN 23 1992  
DATE EFFECTIVE August 14, 1992  
PURSUANT TO 807 KAR 5.011.  
TITLED Secretary  
BY: Charles Heller  
PUBLIC SERVICE COMMISSION MANAGERIssued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. \_\_\_\_\_ dated \_\_\_\_\_

Form for filing Rate Schedules

SOUTHERN MADISON COUNTY  
For Berea, KY  
Community, Town or City

P.S.C. NO. \_\_\_\_\_  
First  
Revised SHEET NO. 9

SOUTHERN MADISON WATER DISTRICT  
Name of Issuing Corporation

CANCELLING P.S.C. NO. 9596  
Original SHEET NO. 8

RULES AND REGULATIONS

2. If the result of such tests shows an average error greater than 2% slow, the customer's bill for the period during which the meter error is known to have existed, shall be recomputed and the account adjusted on the basis of the test. If the period during which the meter error existed cannot be determined, then usage shall be determined in the same manner as set out in Item 1, Adjustments for a meter that is greater than 2 percent fast.
3. If the result of such test necessitates making a refund or back billing a customer, the customer shall be notified in writing of the percentage of error, fast or slow, the date(s) of testing, and the amount of charge or credit to be shown on the next bill of the customer.

MONITORING OF CUSTOMER USAGE

- C) J. At least once annually the Company will monitor the usage of each  
T) customer according to the following procedure:
1. The customer's annual usage for the most recent 12-month period will be compared with the annual usage for the 12 months immediately preceding that period.
  2. If the annual usage for the two periods are substantially the same or if any difference is known to be attributed to unique circumstances, such as unusual weather conditions, common to all customers, no further review will be done.
  3. If the annual usages differ by 25 percent or more and cannot be attributed to a readily identified common cause, the Company will compare the customer's monthly usage records for the 12-month period with the monthly usage for the same months of the preceding year.
  4. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Company will contact the customer by telephone or in writing to

DATE OF ISSUE May 22, 1992  
ISSUED BY Lenny E. [Signature]  
Name of Officer

DATE EFFECTIVE August 14, 1986  
TITLES AS AMENDED KAR 5-011  
SECTION 9 (1)

Issued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. \_\_\_\_\_ dated \_\_\_\_\_  
BY: [Signature]  
PUBLIC SERVICE COMMISSION MANAGER

Form for filing Rate Schedules

SOUTHERN MADISON COUNTY  
For Berea, KY  
Community, Town or City

P.S.C. NO. \_\_\_\_\_  
First \_\_\_\_\_  
Revised \_\_\_\_\_ SHEET NO. 10

SOUTHERN MADISON WATER DISTRICT  
Name of Issuing Corporation

CANCELLING P.S.C. NO. 9596  
Original \_\_\_\_\_ SHEET NO. 8

RULES AND REGULATIONS

determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line.

5. Where the deviation is not otherwise explained, the Company will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow.
6. The Company will notify the customers of the investigation, its findings, and any refunds or backbilling in accordance with 807 KAR 5:006, Section 10(4) and (5).

In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

- K. Where a meter has ceased to register, or meter reading could not be obtained, the quantity of water consumed will be based upon an average of the prior six months consumption and the conditions of water service prevailing during the period in which the meter failed to register.
- L. The District shall make all reasonable efforts to eliminate interruption of service and when such interruptions occur will endeavor to reestablish service with the shortest possible delay. When the service is interrupted all consumers affected by such interruption will be notified in advance whenever it is possible to do so.
- M. The District shall in no event be held responsible for any claim made against it by reason of the breaking of any mains or service pipes or by reason of any other interruption of the supply of water caused by the failure of machinery or stoppage for necessary repairs. No person shall be entitled to damages nor for any portion of a payment refunded for any interruption of service. The opinion of the District may be deemed necessary.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

DATE OF ISSUE May 22, 1992  
ISSUED BY Forrest E. Hays  
Name of Officer

JUN 25 1992  
DATE EFFECTIVE August 14, 1992  
PURSUANT TO 807 KAR 5:011.  
TITLE Severance Pay  
BY: Charles H. Hays

Issued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. \_\_\_\_\_ dated \_\_\_\_\_

Form for filing Rate Schedules

SOUTHERN MADISON COUNTY  
For Berea, KY  
Community, Town or City

P.S.C. NO. \_\_\_\_\_  
First \_\_\_\_\_  
Revised \_\_\_\_\_ SHEET NO. 11

SOUTHERN MADISON WATER DISTRICT  
Name of Issuing Corporation

CANCELLING P.S.C. NO. 9596  
Original SHEET NO. 9

RULES AND REGULATIONS

- N. Customers having boilers and/or pressure vessels receiving a supply of water from the District must have a check valve on the water supply line and a vacuum valve on the stream line to prevent collapse in case the water supply from the District is discontinued or interrupted for any reason, with or without notice.
- O. The premises receiving a supply of water and all service lines, meters and fixtures, including any fixtures within said premises, shall at all reasonable hours be subject to inspection by the District.
- P. Piping on the premises of a customer must be so installed that connections are conveniently located with respect to the District lines and mains. The customer shall provide a place for metering which is unobstructed and accessible at all time. Minimum requirement for installation of service lines are as follows:
- (T)
- (1) Service line shall be at least 24 inches in depth. First 6 inches of back fill should be minus of rock.
  - (2) 3/4 I.D. service lines shall be a minimum of 3/4" I.D., and shall be at least 160 PSI.
  - (3) Cut off valve shall be installed for customer's use in case of leak in their line.
  - (4) Copper or brass compression fittings shall be used when connecting service to meter.
  - (5) Service line will be inspected before meter will be set.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

JUN 25 1992

PURSUANT TO 807 KAR 5.011,  
SECTION 3(1)

DATE OF ISSUE May 22, 1992  
ISSUED BY Leonard E. Ryan  
Name of Officer

DATE EFFECTIVE August 14, 1988  
PUBLIC SERVICE COMMISSION MANAGER  
TITLE Secretary

Issued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. \_\_\_\_\_ dated \_\_\_\_\_

## Form for filing Rate Schedules

SOUTHERN MADISON COUNTY  
For Berea, KY  
Community, Town or City

P.S.C. NO. 93-242

Second  
Revised SHEET NO. 12

SOUTHERN MADISON WATER DISTRICT

Name of Issuing Corporation

CANCELLING P.S.C. NO. 9596

First  
Revised SHEET NO. 9

## RULES AND REGULATIONS

- Q. (1) An extension of fifty (50) feet or less to the District's distribution main shall be made without charge (other than the prescribed standard connection charge) for a prospective customer who shall apply for and contract to use service for one (1) year or more and who provides a guarantee for such service.
- (2) For each extension to the District's distribution main in excess of fifty (50) feet, the District shall require the customer to whose premises such extension is made to deposit with the District the total cost of the excessive footage over fifty (50) feet, based on the average estimated cost per foot of the total extension. Such deposit may be refundable to the customer in certain instances, in accordance with Title 807 KAR 5:066, Section 11(2)(b).
- R. If any loss or damage to the property of the District or any accident or other injury to persons or property is caused by or results from the negligence or wrongful action of the customer, member of his household, his agent, or employee, as determined by a court of law having jurisdiction over the parties, the cost of the necessary repairs or replacements shall be paid by the customer to the District, and any liability otherwise resulting shall be that of the customer.
- S. Water furnished by the District may be used for domestic consumption by the customer, member of his household, and employees only. The customer shall not sell the water to any other person.
- T. All customers shall grant or convey, or shall cause to be granted or conveyed, to the District a perpetual easement and right of way across any property owned or controlled by the customer wherever said easement or right of way is necessary for the District water facilities and lines so as to be able to furnish service to the customer.

DATE OF ISSUE November 1993 DATE EFFECTIVE August 14, 1986

ISSUED BY Paul M. Reynolds TITLE Chairman  
Name of Officer PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVEIssued by authority of an Order of the Public Service Commission of Kentucky  
Case No. 93-242 dated October 20, 1993

OCT 20 1993

PURSUANT TO 807 KAR 5:011,  
SECTION 9 (1)BY: Glenn L. Loefer  
PUBLIC SERVICE COMMISSION MANAGER

Form for filing Rate Schedules

SOUTHERN MADISON COUNTY  
For Berea, KY  
Community, Town or City

P.S.C. NO. \_\_\_\_\_  
First \_\_\_\_\_  
Revised \_\_\_\_\_ SHEET NO. 13

SOUTHERN MADISON WATER DISTRICT  
Name of Issuing Corporation

CANCELLING P.S.C. NO. 9596  
Original SHEET NO. 9

RULES AND REGULATIONS

- U. Complaints may be made to the operator of the system, whose decision may be appealed to the Commission of the District within ten (10) days; otherwise, the operator's decision will be final. Complaints may also be made to the Public Service Comm.
- (C) V A copy of the billing form used by the District is appended  
(T) hereto, pursuant to 807 KAR 5:006 Section 6(3).

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

JUN 25 1992

PURSUANT TO 807 KAR 5:011,  
SECTION 9 (1)

BY: Glenn Keller  
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE May 22, 1992  
ISSUED BY Laurel E. Hay  
Name of Officer

DATE EFFECTIVE August 14, 1988  
TITLE Secretary

Issued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. \_\_\_\_\_ dated \_\_\_\_\_

ENCLOSE THIS STUB  
WHEN PAYING BY MAIL  
FOR PROPER CREDIT

CODES: WT - WATER  
SWR - SEWER  
GS - GAS  
FP - FIRE PROTECTION  
TP - TRASH PICK-UP  
BC - BAD CHECK CHARGE  
SC - SERVICE CHARGE  
CF - CONNECTION FEE  
CR - CREDIT BALANCE  
AR - PAST DUE BALANCE  
TX - TAXES  
EA - ESTIMATION ADJUSTMENT  
EF - ESTIMATION FEES  
RA - RATE ADJUSTMENT

UC (USAGE CODES):  
E - ESTIMATED  
M - METER CHANGE

APPROVED BY STATE BOARD OF ACCOUNTS

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NOT RESPONSIBLE  
FOR MAIL DELIVERY

FORWARD & ADDRESS CORRECTION

FIRST CLASS MAIL  
U.S. POSTAGE PAID

PERMIT NO.:

ACCOUNT NO

ITEM	AMOUNT	CODE	READING DATE	PREVIOUS READING	CURRENT READING	USAGE	UC	MR	AMOUNT
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PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

NET BILL  
DUE NOW

GROSS AMOUNT  
DUE AFTER DUE DATE

NET BILL DUE NOW

JUN 28 1992

GROSS AMOUNT  
DUE AFTER

ENTER  
READING

RETURN STUB WITH PAYMENT

PURSUANT TO 807 KAR 5:011,  
SECTION 9 (1)

BY: Chapman  
PUBLIC SERVICE COMMISSION MANAGER

FOR Berea, Kentucky

P.S.C. Ky. No. 8324-2

Original Sheet No. 14

Cancelling P.S.C. Ky. No. 1

Sheet No.

Southern Madison Water District

RULES AND REGULATIONS

DD. Purchased Water Adjustment Clause.

For the purpose of future application of the purchased Water Adjustment Clause of Southern Madison Water District, the base rate for purchased water shall be:

Suppliers

Rate

Berea College Water Utility

\$ 1.15 per 1,000 gallons

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

FEB 01 1983

PURSUANT TO 807 KAR 5:011,  
SECTION 9 (1)

BY: [Signature]

DATE OF ISSUE February 1, 1983

Month Day Year

DATE EFFECTIVE February 1, 1983

Month Day Year

ISSUED BY [Signature]

Name of Officer

Chairman

Title

Route 3, Berea, Ky. 40403

Address



AMENDED BY-LAWS, RULES, AND REGULATIONS  
OF THE SOUTHERN MADISON WATER DISTRICT  
OF MADISON COUNTY, KENTUCKY, AS ADOPTED  
ON AUGUST 12, 1986.

FILED

SEP 08 1986

PUBLIC SERVICE  
COMMISSION

The Board of Commissioners of the Southern Madison Water District, at a meeting held on the date stated above, adopted the following Amended By-Laws, Rules, and Regulations:

PART I - BY-LAWS

ARTICLE 1. NAME. The name of the District is set out in the caption hereof. The principal office of this District shall be located at the place indicated below in this Article, but the District may maintain offices and places of business at such other places within the State as the Commissioners may determine.

The principal office and place of business of this District and the place where water bills shall be paid, shall be as follows:

Southern Madison Water District  
Holly Street  
P. O. Box 168  
Berea, Kentucky 40403

ARTICLE 2. SEAL. The Seal of the District shall have inscribed thereon the name of the District and such other inscription as the Commissioners may designate and adopt. The Secretary (Seal of the District shall have custody of the Seal. Said Seal is District) affixed hereto at the place indicated in this Article.

ARTICLE 3. MEMBERSHIP. The customers are the members of this District. The duties of the members are set out hereinafter.

ARTICLE 4. COMMISSIONERS. The Board of Commissioners (the "Commission") is a body corporate as provided by KRS 74.070 and is created in accordance with and its powers and duties are coincident with applicable Kentucky Statutes. The business and affairs of the District shall be conducted by Commissioners who have been appointed pursuant to statute. In view of the present statutory requirements that the Commissioners of the District be selected by the County Judge/Executive of the County referred to in the caption hereof, the customers at the last monthly meeting held in the year prior to the selection of each Commissioner, may by motion of any customer, adopt a motion recommending the names of three or less members of the District for consideration by the County Judge/Executive (with the approval of the Fiscal Court), with the request that one of such members be selected as a Commissioner. Such meeting date shall be determined by the provisions of Article 5 of these By-Laws.

ARTICLE 5. MEETINGS. The Commissioners shall meet at least once every three months, or at such other regular time as may be fixed by Resolution of the Commission, and at such other times as necessary to conduct business. The Chairman, Secretary, or any Commissioner may call such meetings by written notice to each member of the Commission, to each local newspaper of general circulation, to each news service and to each local radio or television station which has on file with the Commission a written request to be notified of special meetings of the Commission, in accordance with KRS 61.805-991, mailed or delivered at least 24 hours in advance of such meeting.

ARTICLE 6. OFFICERS. Officers shall be elected annually at the first meeting of the fiscal year, but in the event the election is not so held, officers shall continue to hold office until an election is requested by one of the Commissioners.

ARTICLE 7. VACANCIES. Vacancies of the Commission shall be filled by the County Judge/Executive.

ARTICLE 8. SECRETARY'S DUTY. The Secretary of the Commission shall keep and preserve all documents of the District, including all contracts, plans, specifications, and applications for governmental assistance, shall record the Minutes of proceedings of the Commission and perform all duties customarily performed by a Secretary of a public body.

ARTICLE 9. TREASURER'S DUTY. The Treasurer of the Commission shall pay out the funds of the Commission only upon presentation of warrants signed by the Chairman and countersigned by the Secretary of the Commission. As compensation for his services the Treasurer shall receive an amount fixed by the Commission, not to exceed two hundred dollars (\$200) per year. He shall execute bond to the Commission in an amount fixed by the Commission.

ARTICLE 10. POWERS. The Commission may acquire and install pipe and water laterals, and operate a water system for the district. The Commission shall be a body corporate for all purposes, and may make contracts for the water district with municipalities and persons for a water supply, and for the sale of water and for all other purposes connected with its business. It may prosecute and defend suits, hire necessary employees, including Commissioners, for duties to which their salary limitation herein shall not apply, and do all acts necessary to carry on the work. It may establish and revise a fiscal year. The Commission shall have all powers granted to Water Districts by the Kentucky Revised Statutes including those set out in KRS Chapter 74 and KRS Chapter 106.

ARTICLE 11. RATES. The Commission may establish and revise water rates and make reasonable regulations for the disposition and consumption of water.

ARTICLE 12. DISPOSITION OF ASSETS. In the event the District terminates business by reason of liquidation or sale of its assets, and in the event there is a sum of money remaining after the District has sold its property and paid its debts of every kind including all bonded indebtedness, then the District shall seek court approval of a distribution of the money based on the following plan:

(a) One-half of said money shall be distributed to the original subscribers, their heirs, devisees, and assigns in direct ratio to the connection fees paid by them prior to construction of the original line;

(b) One-half of said money shall be distributed to each customer, his heirs, devisees, and assigns, who has at any time purchased water from the District in direct ratio to the total water bill the customer paid during the entire operation of the system.

The District does not in any way represent that this means of disposing of the assets of the District in the event of liquidation or sale will be approved by the court.

ARTICLE 13. MISCELLANEOUS. The Commission may acquire a water line or system operating in the District as provided by KRS 74.100.

ARTICLE 14. CONDEMNATION. The Commission may condemn rights of way as provided in KRS 416.010 to 416.080 and KRS 106.220 and 106.240.

ARTICLE 15. CONSENT OF FmHA REQUIRED TO CHANGE BOUNDARIES. So long as the United States is the owner or insurer of any bonds issued by the District, the Commission will not, without the consent of the Farmers Home Administration, United States Department of Agriculture, take any action with respect to diminishing the territorial limits of the District and will notify the Farmers Home Administration of any proposal or petition to diminish the territorial limits of the District as soon as the Commission has acquired knowledge thereof.

ARTICLE 16. TYPES OF BONDS. The Commission may finance the acquisition and the construction of authorized works of improvement by the issuance of (1) special assessment bonds, (2) revenue bonds, or (3) a combined special assessment and revenue bond, payable primarily from water revenue, supplemented when necessary by special assessments. If the combination special assessment and revenue bond is used, the special assessment will not be levied nor will the lien thereof attach until such time as it is necessary to make up any deficit in the water revenue to meet annual obligations.

ARTICLE 17. REFUNDING BONDS. The Commission may issue refunding bonds as provided by KRS 74.320 and 74.330 and KRS Chapter 106.

ARTICLE 18. TIME RECORDS AS TO DISTRICT EMPLOYEES. The Commission shall keep an account of the time spent by all employees employed on an hourly basis and each item of expense incurred in connection with the District.

ARTICLE 19. FEES AND COMPENSATION OF DISTRICT OFFICERS. The fees of officers for services rendered in such capacity shall be the same as fees now allowed by law for similar services in other cases. Such fees shall be taxed as a part of the costs and paid on order of the court. Fees or compensation for any service not otherwise provided for shall be fixed and paid by the Commission.

ARTICLE 20. AWARD OF CONSTRUCTION CONTRACTS. The Commission shall let construction contracts as provided by KRS 74.260, KRS 74.270, KRS Chapter 106, and KRS Chapter 424.

ARTICLE 21. ARRANGEMENTS FOR WORK AND SERVICES RENDERED TO THE DISTRICT. The Commissioners shall secure personnel to repair and maintain water district property including mains, lines, meters, storage tanks, etc., when necessary, shall secure personnel to read meters and shall secure personnel to bill customers. The Commissioners shall retain an attorney to represent the District, and may enter into contracts for services labor and materials as provided in KRS Chapters 74 and 106, for any of the purposes enumerated therein.

ARTICLE 22. CONTRACTS AND SERVICE ARRANGEMENTS. The Commission may make all provisions concerning contracts for sale of water, connection charges, and other disposition of District services and assets, including the plan of collecting proceeds thereof. The system manager may at his discretion discontinue delivery of water to any delinquent customer. The District will install, maintain, and operate a main distribution pipe line or lines from the source of water supply and service lines from the main distribution pipe line or lines to the property line of each customer of the District, if the District Commission determines it is feasible to serve such customer, at which points, designated as delivery points, meters to be purchased, installed, owned, and maintained by the District shall be placed. The cost of service line or lines from the main distribution pipe line or lines of the District to the property line of each customer shall be paid by the District or the customer, or both, in a manner to be determined by the Commission at the time of installation depending upon the length of the service line from its main distribution line or lines, such cut-off valve to be owned and maintained by the District and to be installed on some portion of the service line owned by the District. The District shall have the sole and exclusive right to the use and operation of such cut-off valve.

Each service line shall connect with the District's water system at the nearest available point to the place of desired use by the customer if the District's water system shall be of sufficient capacity to permit the delivery of water through a service line at that point without interfering with the delivery of water through a prior service line. If the District's water system shall be inadequate to permit the delivery of water through a service line installed at such point without interfering with the delivery of water through a prior service line, then such service line shall be installed at a point to be designated by the Commission. Each customer will be required to install and own the service line from the meter to the place of use on his premises and to maintain such portion of the service line.

Each customer shall be entitled to purchase from the District pursuant to such agreements as may from time to time be provided and required by the Commission such water as the customer may desire, subject, however, to the provisions of these By-Laws and to such rules and regulations as may be prescribed by the Commission, provided, however, that should a customer sell or dispose of a portion of his property or subdivide the same, he or the new owner of each such new tract may not demand water and taps without paying connection fees for each such tract to be served.

In the event the total water supply shall be insufficient to meet all the needs of the customers or in the event there is a shortage of water, the Commission may prorate the water available among the various customers on such basis as is deemed equitable by the Commission, and may also prescribe a schedule of hours covering use of water and require adherence thereto or prohibit the use of water for specified purposes.

ARTICLE 23. INSURANCE. The Commission is authorized to secure insurance on storage tanks, if any, and such other properties as the District owns, against fire, windstorms, and other calamity, and liability insurance, in such amounts and with such companies as other privately-owned water systems ordinarily carry.

ARTICLE 24. DISTRICT OWNERSHIP OF LINES AND METERS. The District shall own all lines and meters held by or for it, in the absence of a written agreement to the contrary.

ARTICLE 25. ENGINEERING SERVICES; INSPECTIONS AND REPORTS. The Commission shall secure engineering services for an annual engineering inspection and report dealing with operation and maintenance practice if the Commission desires or if so required by any bondholder or the Federal Government as insurer of the bonds.

ARTICLE 26. CONTRACTS FOR SALE OF WATER. The Commission may contract with any person or entity for the sale of water and if such person or entity is metered within the District boundaries, he or it is a customer of the District for such time as he or it pays the District bills pertaining to such metered connection.

ARTICLE 27. RESTRICTIONS ON AMENDMENTS TO BY-LAWS. The By-Laws shall not be amended without the permission of the majority of holders of outstanding bonds, plus the Farmers Home Administration, United States Department of Agriculture, so long as the United States is the owner or insurer of any bonds issued by the District and so long as any of the bonds remain unpaid.

ARTICLE 28. KENTUCKY LAWS INCORPORATED BY REFERENCE. All applicable Kentucky Statutes which now or may hereafter exist are incorporated herein and made a part of these By-Laws, and the Commissioners may use any powers therein contained in addition to those herein set out. Any provisions herein in violation of the Kentucky Revised Statutes which is now or may hereafter be in effect is null and void, the remainder of these By-Laws to continue in full force and effect.

ARTICLE 29. AUDITS. An annual audit on a fiscal year basis will be made of the books and accounts pertinent to said project by competent auditor. No later than 60 days after the close of each fiscal year copies of such audit reports certified by such accountant shall be promptly mailed to the Farmers Home Administration without request and to any bondholder that may have requested same in writing.

## PART II - RULES AND REGULATIONS

The following rules and regulations are hereby adopted, subject to change by the Water District Commission at any time, subject to approval of the Public Service Commission through the filing of revised tariff sheets with the PSC. These rules and regulations are intended to supplement the Bond Resolution, the Rate Resolution, and the By-Laws.

- A. All taps and connections to the mains of the District shall be made by and/or under the direction and supervision of District personnel.
- B. Water service may be discontinued by the District for, upon 10 days' written notice (except that in the event of a violation under Item 7 below, water service may be terminated immediately), any violation of any rule, regulation, or condition, and especially for any of the following reasons:
  - 1. Misrepresentation in the application or contract as to the property or fixtures to be supplied or additional use to be made of water.
  - 2. Failure to report to the District additions to the property or fixtures to be supplied or additional use to be made of water.
  - 3. Resale of water.
  - 4. Waste or misuse of water due to improper or imperfect service pipes and/or failure to keep such pipes in a suitable state of repair.
  - 5. Tampering with meter, meter seal, service, or valves, or permitting such tampering by others.
  - 6. Connection, cross-connection, or permitting the same, of any separate water supply to premises which receive water from the District.
  - 7. When a dangerous condition is found to exist on the customer's or applicant's premises, with reference to the continuation of water service, water service shall be cut off without notice or shall be refused, provided the District shall notify the customer or applicant immediately of the reasons for the discontinuance or refusal and the correction action to be taken by the applicant or customer before service can be restored.

- C. Any customer desiring to discontinue the water service to his premises for any reason must give notice of discontinuance in person or in writing at the business office of the District at least three (3) days prior to the date on which the customer desires to discontinue service, and the customer shall not be liable for water consumed beyond the date of discontinuance stated in such notice; if such notice in person or in writing is not given, a customer shall remain liable for all water used and service rendered to such premises by the District until such notice is received by the District.
- D. Bills and notices relating to the conduct of the business of the District will be mailed to the customer at the address listed on the user's agreement unless a change of address has been filed in writing with the District; and the District shall not otherwise be responsible for delivery of any bill or notice nor will the customer be excused from the payment of any bill or any performance required in said notice.
- E. 1. Bills for water service are due and payable at the office of the District, or to any designated agent, on the date of issue. The past due date shall be the tenth day after the date of issue. Bills will be dated and mailed on the first day of each month.
2. All bills not paid on or before the past due date shall be deemed delinquent. When a bill has been delinquent for a period of twenty days, the District shall serve a customer a written final notice of said delinquency, and of the intent of the District to discontinue service ten days after the date of such notice unless such bill is paid prior to the expiration of such ten days. If a delinquent bill is not paid within ten days after date of such final notice (thirty days from the past due date), the water supply to the customer may be discontinued without further notice; provided, however, if, prior to discontinuance of service, there is delivered to the District, or to its employee empowered to discontinue service, a written certificate signed by a physician, a registered nurse, or a public health officer that, in the opinion of the certifier, discontinuance of service will aggravate an existing illness or infirmity on the affected premises, service shall not be discontinued until the affected resident can make other living arrangements or until ten (10) days elapse from the time of the District's receipt of said certification, whichever occurs first.
- F. Where the water supply to the customer has been discontinued for non-payment of delinquent bills, a charge of \$        will be made for reconnection of water service, but the reconnection will not be made until all delinquent bills and other charges, if any, owed by the customer to the District have been paid.

- G. The District reserves the right to request that a nominal amount be placed on deposit with the District for the purpose of establishing or maintaining any customer's credit, such amount not to exceed two-twelfths ( $2/12$ ) of the estimated annual bill of such customer. Upon the payment of such deposit, the District shall issue to such customer a certificate of deposit, showing the name of the customer, the location of the initial premises occupied by the customer, and the date and amount of the deposit. The District will pay to such customer interest on such deposit at the rate of six percent (6%) per annum, until such deposit is reimbursed to the customer.
- H. All meters shall be installed, renewed, and maintained at the expense of the District, and the District reserves the right to determine the size and type of meter used.
- I. It shall be the policy of the District to test each water meter at least once every 12 months. In addition, upon written request of any customer, the meter serving such customer shall be tested by the District. Such test will be made without charge to the customer if the meter has not been tested within 12 months preceding the requested test; otherwise, a charge of \$2.00 will be made and then only if the test indicates meter accuracy within the limits of 2%.

If a meter is inaccurate in excess of 2%, whether upon periodic testing or upon requested testing, additional tests shall be made at once to determine the average error of the meter, and the adjustments shall be made in the customer's water bills as follows:

1. If the result of such tests shows an average error greater than 2% fast, the customer's bill for the period during which the meter error is known to have existed, shall be recomputed and the account adjusted on the basis of the test. If the period during which the meter error existed cannot be determined, then the customer's bill shall be recomputed for one-half ( $1/2$ ) of the elapsed time since the last previous test, but in no event to exceed 12 months; provided, however, that if time for the periodic test has overrun to the extent that  $1/2$  of the time elapsed since the last previous test exceeds 12 months, the refund shall be for the 12 months specified above, plus those months exceeding the periodic test period; provided, further, that such refund may be limited to the 12 month period if failure to make the periodic test was due to causes beyond the control of the District.
2. If the result of such tests shows an average error greater than 2% slow, the customer's bill for the period during which the meter error is known to have existed, shall be recomputed and the account adjusted on the basis of the test. If the period during which the meter error existed cannot be determined, then the customer's bill shall be recomputed for one-half ( $1/2$ ) of the elapsed time since the last previous test, but in no event to exceed 12 months.



3. If the result of such tests necessitates making a refund or back billing a customer, the customer shall be notified in writing of the percentage of error, fast or slow, the date(s) of testing, and the amount of charge or credit to be shown on the next bill of the customer.
- J. Where a meter has ceased to register, or meter reading could not be obtained, the quantity of water consumed will be based upon an average of the prior six months consumption and the conditions of water service prevailing during the period in which the meter failed to register.
- K. The District shall make all reasonable efforts to eliminate interruption of service and when such interruptions occur will endeavor to reestablish service with the shortest possible delay. When the service is interrupted all consumers affected by such interruption will be notified in advance whenever it is possible to do so.
- L. The District shall in no event be held responsible for any claim made against it by reason of the breaking of any mains or service pipes or by reason of any other interruption of the supply of water caused by the failure of machinery or stoppage for necessary repairs. No person shall be entitled to damages nor for any portion of a payment refunded for any interruption of service which in the opinion of the District may be deemed necessary.
- M. Customers having boilers and/or pressure vessels receiving a supply of water from the District must have a check valve on the water supply line and a vacuum valve on the stream line to prevent collapse in case the water supply from the District is discontinued or interrupted for any reason, with or without notice.
- N. The premises receiving a supply of water and all service lines, meters and fixtures, including any fixtures within said premises, shall at all reasonable hours be subject to inspection by the District.
- O. Piping on the premises of a customer must be so installed that connections are conveniently located with respect to the District lines and mains. The customer shall provide a place for metering which is unobstructed and accessible at all times.
- P. (1) An extension of fifty (50) feet or less to the District's distribution main shall be made without charge (other than the prescribed standard connection charge) for a prospective customer who shall apply for and contract to use service for one (1) year or more and who provides a guarantee for such service.

(2) For each extension to the District's distribution main in excess of fifty (50) feet, the District shall require the customer to whose premises such extension is made to deposit with the District the total cost of the excessive footage over fifty (50) feet, based on the average estimated cost per foot of the total extension. Such deposit may be refundable to the customer in certain instances, in accordance with Title 807 KAR 5:066, Section 12(2)(b).

- Q. If any loss or damage to the property of the District or any accident or other injury to persons or property is caused by or results from the negligence or wrongful action of the customer, member of his household, his agent, or employee, as determined by a court of law having jurisdiction over the parties, the cost of the necessary repairs or replacements shall be paid by the customer to the District, and any liability otherwise resulting shall be that of the customer.
- R. Water furnished by the District may be used for domestic consumption by the customer, member of his household, and employees only. The customer shall not sell the water to any other person.
- S. All customers shall grant or convey, or shall cause to be granted or conveyed, to the District a perpetual easement and right of way across any property owned or controlled by the customer wherever said easement or right of way is necessary for the District water facilities and lines so as to be able to furnish service to the customer.
- T. Complaints may be made to the operator of the system, whose decision may be appealed to the Commission of the District within ten days; otherwise, the operator's decision will be final.

I, the undersigned Secretary of the Southern Madison Water District, do hereby certify the foregoing to be a true and accurate copy of the Amended By-Laws, Rules, and Regulations of said District as adopted by its Commission.

WITNESS my signature and the Seal of the District this August 12, 1986.

(Seal of District)



Secretary

Southern Madison Water District